

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA

v.

ANTHONY DELFARNO

CR 14
CR. No.

139 M

In Violation of 18 U.S.C. §§ 2, 1343,
1028A (a)(1) and (c)(5), and 287.

INDICTMENT

The Grand Jury charges that:

INTRODUCTION

1. At all times relevant to this Indictment:

a. Anthony Delfarno was a resident of the District of Rhode Island.

b. The Department of the Treasury and the Internal Revenue Service ("IRS") were Departments and Agencies of the United States who were responsible for the ascertainment and collection of taxes from individuals and corporations due to the United States, and for the payment of refunds owed to United States taxpayers who were entitled to refunds of overpayments.

c. In order to file an individual tax return a taxpayer uses, among other things, his or her social security number for purposes of identification.

Taxpayers regularly file, along with their returns, a Form W-2 ("W-2") or Form 1099 ("1099") which indicates the amount of wages and or income received, the amount of taxes withheld, the name of the employer, and other pertinent information used by the IRS in the ascertainment, collection and payment of taxes and the issuance of refunds.

Individuals file Tax Forms known as Forms 1040, 1040EZ, 1040A and 1040X ("Personal Tax Return"). Corporations and other businesses file, among others, Tax Forms 1120, 1120S, and 1120X ("Corporate Tax Return").

d. Corporations are not issued social security numbers by the United States but instead use employer identification numbers ("EIN") which are issued by the IRS upon application.

e. Tax returns filed by taxpayers may be filed electronically, that is by wire, or by U.S. Mail. Refunds issued by the IRS may be transferred by wire to bank accounts designated by the taxpayer or by mailing United States Treasury checks to the individual or corporate taxpayers.

Counts 1-11

(Wire Fraud)

Object and Scheme to Defraud

2. From in or about April 2009, and continuing until in or about September 2013, the exact dates being unknown to the Grand Jury, within the District of Rhode Island, and elsewhere, the defendant, ANTHONY DELFARNO, knowingly and willfully devised and intended to devise a scheme and artifice to defraud and for obtaining money owned and belonging to the United States Treasury to which he was not entitled, by means of false and fraudulent pretenses, representations, and promises.

3. It was the object of the scheme that the defendant, ANTHONY DELFARNO, would obtain and attempt to obtain money from the United States Treasury by filing false tax returns and claiming income tax refunds not due him and others.

Manner and Means

4. It was part of the scheme to defraud that defendant, ANTHONY DELFARNO, opened various bank accounts individually and jointly with others, to receive unlawfully obtained refunds from the United States Treasury. These accounts were opened and maintained at various financial institutions in the District of Rhode Island, including, but not limited to: BankRI; Washington Trust Company; TD Bank North, NA; Coastway Community Bank; Bank Newport; Citizens Bank; Santander Bank; and NewportFed Bank (collectively "bank accounts").

5. It was also part of the scheme that the defendant used various corporations to generate false W-2's and 1099's for himself, and without their knowledge or consent, for various family members described in Paragraph eight (8) below, to file for and receive fraudulent refunds from the IRS which the defendant knew at the time of filings were for wages and income not generated or earned by the family members.

6. These corporations were owned, controlled, or otherwise incorporated by defendant ANTHONY DELFARNO and include but are not limited to: ADF Construction LLC; ADF Incorporated; ADLA, LLC; Area 51 Construction and Freight

Forwarding; Delbros Construction Corporation; Delfarno Construction and Freight Forwarding, LLC; Delfarno Corporation; Ferrari Management, Inc.; Galleria d'arte e Tuttle le Cose Belle; Highway Construction Services Inc.; MGM Financial Group, Inc.; Narragansett Construction Corporation; SOHO Corporation; SOHO Gallery LLC; SOHO Equipment Corporation; and Delfarno Corporation (collectively "the corporations").

7. It was part of the scheme that the defendant caused to be filed with the IRS demands for refunds in the total amount of \$3,557,653.00, more or less, while then knowing that the true amount of withholdings forwarded to the IRS by the defendant on behalf of the Personal and Business Tax Returns he filed and caused to be filed, totaled only \$15,544.02, more or less.

8. It was also part of the scheme that the defendant used family member's names and other personal identifying information, including their social security numbers, without lawful authority, to execute his scheme to defraud. These individuals, whose full names are known to the Grand Jury include defendant ANTHONY DELFARNO's minor and adult children, his former spouse, and girlfriend. The individuals are identified in this Indictment by their initials: A.L.D.; A.D.; J.D.; L.L.; M.D.; P.D. and S.D.

The Execution of the Scheme

9. On or about the dates set forth below, in the District of Rhode Island and elsewhere, the defendant, ANTHONY DELFARNO, for the purpose of executing the

aforementioned scheme and artifice to defraud and for obtaining money, knowingly transmitted and caused to be transmitted by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures and sounds as set forth below:

COUNT	DATE (on or about)	TAX RETURN WIRED	REFUND CLAIMED
1	January 21, 2010	2009 Personal Tax Return on behalf of A.L.D.	\$21,676.00
2	January 19, 2010	2009 Personal Tax Return on behalf of ANTHONY DELFARNO	\$50,045.00
3	March 25, 2011	2010 Personal Tax Return on behalf of ANTHONY DELFARNO	\$105,360.00
4	January 27, 2011	2010 Personal Tax Return on behalf of A.D.	\$18,468.00
5	February 4, 2011	2010 Personal Tax Return on behalf of J.D.	\$18,468.00
6	February 26, 2010	2009 Personal Tax Return on behalf of P.D.	\$33,964.00
7	January 20, 2011	2010 Personal Tax Return on behalf of S.D.	\$18,815.00
8	April 24, 2011	2010 Corporate Tax Return on behalf of ADF Construction LLC	\$56,522.00

COUNT	DATE (on or about)	TAX RETURN WIRED	REFUND CLAIMED
9	April 15, 2011	2010 Corporate Tax Return on behalf of Area 51 Construction and Freight Forwarding	\$46,311.00
10	February 26, 2012	2011 Corporate Tax Return on behalf of Delbros Construction Corporation	\$91,795.00
11	March 18, 2012	2011 Corporate Tax Return on behalf of Highway Construction Services, Inc.	\$74,622.00

All in violation of 18 U.S.C. §§ 1343 and 2.

COUNT 12

(AGGRAVATED IDENTITY THEFT)

10. The allegations made in Paragraphs 1 through 9 above are incorporated by reference.

11. On or about January 27, 2011, in the District of Rhode Island, and elsewhere, the defendant, ANTHONY DELFARNO, during and in relation to the commission of wire fraud against the United States as charged in Count 4 of this Indictment and in violation of 18 U.S.C. § 1343, did knowingly possess and use without

lawful authority, a means of identification of another person, that is, the name and social security number ***-**-1813, both belonging to A.D.

All in violation of 18 U.S.C. §§ 1028A(a)(1) and (c)(5).

COUNT 13

(AGGRAVATED IDENTITY THEFT)

12. The allegations made in Paragraphs 1 through 9 above are incorporated by reference.

13. On or about February 4, 2011, in the District of Rhode Island, and elsewhere, the defendant, ANTHONY DELFARNO, during and in relation to the commission of wire fraud against the United States as charged in Count 5 of this Indictment and in violation of 18 U.S.C. § 1343, did knowingly possess and use without lawful authority, a means of identification of another person, that is, the name and social security number ***-**-9916, both belonging to J.D.

All in violation of 18 U.S.C. §§ 1028A(a)(1) and (c)(5).

COUNT 14

(AGGRAVATED IDENTITY THEFT)

14. The allegations made in Paragraphs 1 through 9 above are incorporated by reference.

15. On or about January 20, 2011, in the District of Rhode Island, and elsewhere, the defendant, ANTHONY DELFARNO, during and in relation to the commission of wire fraud against the United States as charged in Count 7 of this Indictment and in violation of 18 U.S.C. § 1343, did knowingly possess and use without

lawful authority, a means of identification of another person, that is, the name and social security number ***-**-3168, both belonging to S.D.

All in violation of 18 U.S.C. §§ 1028A(a)(1) and (c)(5).

COUNTS 15-66

(FALSE CLAIMS AGAINST THE UNITED STATES)

16. The allegations made in Paragraphs 1 through 9 above are incorporated by reference.

17. On or about the various dates set forth below, and each such date representing a separate count of this Indictment, in the District of Rhode Island and elsewhere, the defendant, ANTHONY DELFARNO, made and presented, and caused to be made and presented to the IRS, a claim upon and against the United States Department of the Treasury, that is, a false claim for a federal income tax refund, knowing that the claim was false, fictitious, and fraudulent, in that no federal income tax refund was due or owing as claimed by the defendant.

COUNT	DATE (on or about)	TAX RETURN	REFUND CLAIM (more or less)
15	January 22, 2010	2009 Personal Tax Return filed on behalf of A.L.D.	\$21,676.00
16	February 16 ,2011	2010 Personal Tax Return filed on behalf of A.L.D.	\$8,804.00
17	January 20, 2010	2009 Personal Tax Return filed on behalf of ANTHONY DELFARNO	\$50,045.00
18	March 25, 2011	2010 Personal Tax Return filed on behalf of ANTHONY DELFARNO	\$105,360.00

COUNT	DATE (on or about)	TAX RETURN	REFUND CLAIM (more or less)
19	September 4, 2012	2011 Personal Tax Return filed on behalf of ANTHONY DELFARNO	\$315,447.00
20	April 5, 2011	2008 Personal Tax Return filed on behalf of A.D.	\$13,340.00
21	January 30, 2010	2009 Personal Tax Return filed on behalf of A.D.	\$25,654.00
22	January 27, 2011	2010 Personal Tax Return filed on behalf of A.D.	\$18,468
23	July 10, 2010	2009 Personal Tax Return filed on behalf of J.D.	\$23,442.00
24	February 8, 2011	2010 Personal Tax Return filed on behalf of J.D.	\$18,468.00
25	January 20, 2010	2009 Personal Tax Return filed on behalf of L.L.	\$15,598.00
26	March 21, 2011	2010 Personal Tax Return filed on behalf of L.L.	\$21,180.00
27	March 21, 2010	2008 Personal Tax Return filed on behalf of M.D.	\$25,396.00
28	March 21, 2010	2009 Personal Tax Return filed on behalf of M.D.	\$21,174.00
29	January 27, 2011	2010 Personal Tax Return filed on behalf of M.D.	\$17,117.00
30	March 3, 2010	2009 Personal Tax Return filed on behalf of P.D.	\$33,964.00
31	January 31, 2011	2010 Personal Tax Return filed on behalf of P.D.	\$34,860.00
32	March 25, 2012	2011 Personal Tax Return filed on behalf of P.D.	\$5,849.00
33	May 11, 2010	2008 Personal Tax Return filed on behalf of S.D.	\$18,846.00
34	March 22 ,2010	2009 Personal Tax Return filed on behalf of S.D.	\$26,676.00

COUNT	DATE (on or about)	TAX RETURN	REFUND CLAIM (more or less)
35	February 19, 2011	2010 Personal Tax Return filed on behalf of S.D.	\$18,815.00
36	February 16, 2012	2011 Personal Tax Return filed on behalf of S.D.	\$85,487.00
37	April 25, 2011	2010 Corporate Tax Return filed on behalf of ADF Construction LLC	\$56,522.00
38	February 25, 2012	2011 Corporate Tax Return filed on behalf of ADF Construction LLC	\$74,285.00
39	February 9, 2013	2012 Corporate Tax Return filed on behalf of ADF Construction LLC	\$85,272.00
40	April 15, 2011	2010 Corporate Tax Return filed on behalf of Area 51 Construction and Freight Forwarding	\$46,311.00
41	February 25, 2012	2011 Corporate Tax Return filed on behalf of Area 51 Construction and Freight Forwarding	\$89,884.00
42	February 9, 2013	2012 Corporate Tax Return filed on behalf of Area 51 Construction and Freight Forwarding	\$81,532.00
43	July 3, 2011	2010 Corporate Tax Return filed on behalf of Delbros Construction Corporation	\$58,817.00
44	February 27, 2012	2011 Corporate Tax Return filed on behalf of Delbros Construction Corporation	\$91,795.00
45	February 16, 2013	2012 Corporate Tax Return filed on behalf of Delbros Construction Corporation	\$85,400.00

COUNT	DATE (on or about)	TAX RETURN	REFUND CLAIM (more or less)
46	June 25, 2011	2010 Corporate Tax Return filed on behalf of Delfarno Construction and Freight Forwarding	\$66,836.00
47	February 25, 2012	2011 Corporate Tax Return filed on behalf of Delfarno Construction and Freight Forwarding	\$83,280.00
48	February 9, 2013	2012 Corporate Tax Return filed on behalf of Delfarno Construction and Freight Forwarding	\$83,280.00
49	July 23, 2011	2010 Corporate Tax Return filed on behalf of Ferrari Management, Inc.	\$62,230.00
50	February 25, 2012	2011 Corporate Tax Return filed on behalf of Ferrari Management, Inc.	\$84,622.00
51	February 9, 2013	2012 Corporate Tax Return filed on behalf of Ferrari Management, Inc.	\$86,665.00
52	March 11, 2012	2011 Corporate Tax Return filed on behalf of Galleria d'Arte e Tuttle le Cose Belle	\$91,607.00
53	February 9, 2013	2012 Corporate Tax Return filed on behalf of Galleria d'Arte e Tuttle le Cose Belle	\$90,610.00
54	April 10, 2011	2010 Corporate Tax Return filed on behalf of Highway Construction Services, Inc.	\$39,705.00
55	March 19, 2012	2011 Corporate Tax Return filed on behalf of Highway Construction Services, Inc.	\$74,622.00
56	February 9, 2013	2012 Corporate Tax Return filed on behalf of Highway Construction Services, Inc.	\$85,408.00

COUNT	DATE (on or about)	TAX RETURN	REFUND CLAIM (more or less)
57	September 10, 2011	2010 Corporate Tax Return filed on behalf of MGM Financial Group, Inc.	\$71,512.00
58	April 30, 2012	2011 Corporate Tax Return filed on behalf of MGM Financial Group, Inc.	\$82,512.00
59	February 9, 2013	2012 Corporate Tax Return filed on behalf of MGM Financial Group, Inc.	\$96,600.00
60	October 28, 2012	2011 Corporate Tax Return filed on behalf of Narragansett Construction Corporation	\$89,654.00
61	February 9, 2013	2012 Corporate Tax Return filed on behalf of Narragansett Construction Corporation	\$79,684.00
62	November 10, 2012	2011 Corporate Tax Return filed on behalf of SOHO Corporation	\$93,954.00
63	February 9, 2013	2012 Corporate Tax Return filed on behalf of SOHO Corporation	\$96,953.00
64	March 3, 2013	2012 Corporate Tax Return filed on behalf of SOHO Gallery LLC	\$88,519.00

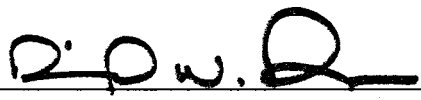
COUNT	DATE (on or about)	TAX RETURN	REFUND CLAIM (more or less)
65	September 14, 2013	2012 Corporate Tax Return filed on behalf of SOHO EQUIPMENT CORP.	\$100,707.00
66	September 14, 2013	2012 Corporate Tax Return filed on behalf of Delfarno Corporation	\$93,259.00

All in violation of 18 U.S.C. § 287.

A TRUE BILL:

REDACTED

PETER F. NERONHA
United States Attorney



RICHARD W. ROSE
Assistant U.S. Attorney



ADI GOLDSTEIN
Assistant U.S. Attorney
Criminal Division Chief

Dated: December 17, 2014